

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

July 5, 2011

Board of Supervisors GLORIA MOLINA First District

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ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH
Fifth District

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

FORTY-YEAR LEASE AND MEMORANDUM OF UNDERSTANDING THE DIAMOND BAR LIBRARY 21810 COPLEY DRIVE, DIAMOND BAR (FOURTH DISTRICT) (3 VOTES)

SUBJECT

The Public Library is requesting that the Board of Supervisors approve a forty-year lease and a Memorandum of Understanding for library services with the City of Diamond Bar for the new Diamond Bar Library.

JOINT RECOMMENDATION WITH THE COUNTY LIBRARY THAT YOUR BOARD:

- 1. Find that the proposed lease is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State CEQA Guidelines (Existing Facilities).
- 2. Approve and instruct the Mayor to sign a forty-year lease with the City of Diamond Bar for approximately 18,000 rentable square feet of library space at 21810 Copley Drive, Diamond Bar for use by the Public Library at \$1 per year. The forty-year lease will commence upon completion of Tenant Improvements by the City and acceptance of the improvements by the County.

"To Enrich Lives Through Effective And Caring Service"

- 3. Authorize the Chief Executive Office and Public Library to implement the Diamond Bar Library project and reimburse the City of Diamond Bar for project costs incurred for the Diamond Bar Library which includes Tenant Improvements, construction management services, civic art, and the acquisition and installation of Furniture, Fixtures, & Equipment at an amount not-to-exceed \$4,450,000, currently funded in the Diamond Library Capital Project Budget (Capital Project No. 77601).
- 4. Approve and delegate authority to the County Librarian, or her designee, to execute a Memorandum of Understanding with the City of Diamond Bar, which will govern the level of library service provided by the County to the City of Diamond Bar and also the use of property tax dollars apportioned to the County from property within the City of Diamond Bar for the purposes of providing library services and facility enhancements at the Diamond Bar Library, in a form substantially similar to the agreement. Approve and delegate authority to the County Librarian, or her designee, to execute amendments subject to the terms of the final Memorandum of Understanding.
- 5. Instruct the County Librarian and Chief Executive Officer to develop a plan for the disposition of the existing Diamond Bar Library and the proceeds of sale, if any, following the opening of the new library facility, and to report back to your Board within 120 days from your Board's approval of the recommended actions.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County of Los Angeles (County) owns and operates the existing 9,935 sq. ft. Diamond Bar Library (Library), which is located at 1061 South Grand Avenue, Diamond Bar. Both the City of Diamond Bar (City) and County desire an improved library facility and recognize that the existing facility is undersized to meet the needs of the current service population.

The City recently purchased a two-story 55,095 sq. ft. building located at 21810 Copley Drive, and offered to provide approximately 18,000 sq. ft. of dedicated space on the first floor for library use. Aside from the library, the new building will also house a new Diamond Bar City Hall and a 6,000 sq. ft. community meeting room to be shared by both the City and the County. The proposed forty-year lease of the library space from the City will enable the County to relocate the Library into a larger and more modern facility, which will enable the Public Library to provide enhanced library services to the Diamond Bar residents.

On August 17, 2010, the City Council approved an agreement with LPA, Inc. for architectural and engineering services for the new City Hall and Library. While the City was the lead agency during the design phase, the Public Library fully participated in the development of the programming, plans, and specifications for the Library Project.

The Honorable Board of Supervisors July 5, 2011 Page 3

On March 1, 2011, your Board authorized the County's Chief Executive Officer to execute a funding agreement with the City for the reimbursement of the Library's share of the architectural and engineering costs at an amount not-to-exceed \$550,000.

The County and the City will work cooperatively to implement the Library project, which includes Tenant Improvements (TI), construction management services, civic art, and the acquisition and installation of Furniture, Fixtures, & Equipment (FF&E). The City has hired a construction manager who will manage both the City Hall and Library projects. The construction manager has been mutually selected by the County and the City.

The scope of work for the TI includes renovating the interior of the library space including new carpet, tile, paint, construction of bathroom and staff area, installation of electrical outlets, lighting and heating, low voltage systems, and air conditioning modifications. Exterior renovations include the addition of an outdoor reading patio and associated landscaping and irrigation.

The Library project is designed to achieve the United States Green Building Council Leadership in Energy and Environmental Design 2009 for New Construction and Major Renovation Silver level certification by incorporating sustainable design features to optimize energy and water use efficiency, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources.

The Public Library is recommending approval of the Memorandum of Understanding (MOU) on the grounds that it establishes a cooperative and mutually beneficial relationship with the City and provides for the City's continued participation in the County Library District and the benefits the County Library District derives therefrom. The MOU will establish an ongoing process for the City and County to meet on an annual basis to determine the service levels for the operation of the Library based on available property tax dollars apportioned to the County from the property within the City. The MOU will also govern the use of any excess funds set aside by the Public Library for the purposes of providing library services and facility enhancements at the Library.

Implementation of Strategic Plan Goals

Approval of the recommended award is consistent with the County's Strategic Plan Goals in the areas of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3).

FISCAL IMPACT/FINANCING

Proposed Lease	Diamond Bar Library 21810 Copley Drive, Diamond Bar (first floor of two-story building)		
Area	Approximately 18,000 rentable square feet		
Term of Lease	40 years (commencement upon completion of TI by the City and acceptance of TI and certificate of occupancy by the County)		
Annual Rent	\$1.00		
Option to Extend	Two additional 10 year options, same terms and conditions		
Cancellation	County may cancel at any time in the event the Public Library is required for financial reasons to discontinue library services to the community on 60 days prior written notice. City may cancel anytime by providing prior notice pursuant to the California Education Code Section 19116. Should the City cancel prior to ten years, then it will pay \$1,369.86 for each day of from the day the City leaves the County Library District through the last day of the ten year period.		
Parking Included in	Non-exclusive use of available parking spaces in the		
Rent	adjacent parking lot.		

The County will fund the TI, construction management services, civic art, and the acquisition and installation of FF&E for the Library project at an amount not-to-exceed \$4,450,000. Funding is currently in the Capital Project Budget for the Library (Capital Project No. 77601). Your Board's approval of the proposed lease will establish the mechanism by which the County can reimburse the City for the costs incurred by the City for the Library project. Funds will be paid by the County to the City upon receipt of invoice from the City. All invoices and supporting documentations received from the City will be subject to the approval of the Public Library.

The terms and conditions of the proposed MOU require the City to return to the County a prorated share of the County's total financial contribution of \$5 million towards the cost of the Library project, which includes \$550,000 for the architectural and engineering services and \$4,450,000 for the TI, construction management services, civic art, and the acquisition and installation of FF&E. In the event the City elects to withdraw from the County Library District before ten years of the forty-year lease is completed, the City shall pay the County \$1,369.86 for each calendar day from the day the City leaves the County Library District through the last day of the ten year period.

The Honorable Board of Supervisors July 5, 2011 Page 5

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to your Board's Civic Art Policy adopted on December 7, 2004, as amended, the Library project budget includes 1 percent of design and construction costs to be allocated to the Civic Art Fund.

Under the provisions of the California Education Code section 19100 et seq., cities may elect to participate in the County Library District. When they do, the cost of providing library services within the city is provided to the County by an apportionment of property tax revenues derived from property located within the city. Cities may later choose to leave the County Library District and these revenues are then redirected back to the cities.

The MOU will begin upon approval of the City and County and will terminate on June 30, 2041. There are two ten-year extensions, which will occur automatically unless first objected to by the City or County. It is anticipated that the City would remain a participant of the County Library District for the duration of the MOU.

The MOU may be terminated for any reason 120 days after notice is given by the terminating party. If the County unilaterally terminates the MOU before the natural expiration date, any excess funds set aside by the Public Library prior to termination must be spent on service improvements at the Library. If the City unilaterally terminates the MOU before the natural expiration date, all funds remain the County's to spend at its sole discretion.

The proposed lease is one dollar per year, and shall commence upon completion of TI by the City and acceptance thereof by the County. The City will pay for all janitorial services, trash removal, landscaping services, ongoing maintenance on all mechanical, electrical and plumbing systems including preventive maintenance on all building systems, and utility infrastructure. The County's operational costs will include telephone/telecommunications services, staffing, and other typical costs associated with operating a community library. The attached lease and MOU have been approved as to form by County Counsel.

In the event that the costs of service for the Library exceed the available property tax revenue and any set aside funds, the Public Library and City will mutually determine any service level reductions that may be necessary. However, the City may elect to fund any costs that exceed available funding to either maintain current service levels or enhance service levels. The Public Library and the City shall mutually agree upon a schedule of invoicing for any financial contributions made by the City to maintain or enhance library services provided by the Public Library to the City.

The Honorable Board of Supervisors July 5, 2011 Page 6

ENVIRONMENTAL DOCUMENTATION

The proposed lease is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES

There is no impact on current services.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return three certified copies of the Minute Order and the adopted stamped Board letter to the Chief Executive Office, Real Estate Division, 222 South Hill Street, Los Angeles, CA 90012 as well as three certified copies of the Minute Order and the adopted stamped Board letter to the Public Library, Executive Office, 7400 East Imperial Highway, Downey, CA 90242.

MARGARET DONNELLAN TODD

County Librarian

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:MDT:FH YDR:MR:bf

Attachments

c: Executive Office, Board of SupervisorsCounty CounselAuditor-Controller

PL_Diamond Bar Library - Brdltr_July 5

PUBLIC LIBRARY 21810 COPLEY DRIVE, DIAMOND BAR Asset Management Principles Compliance Form¹

ı.	<u>Oc</u>	eupancy	Yes	No	N/A	
	Α	Does lease consolidate administrative functions? ²	!		х	
	В	Does lease co-locate with other functions to better serve clients? 2	х			
	С	Does this lease centralize business support functions? ²			Х	
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ²		Х		
2.	Cap	olta <u>l</u>	<u>'</u>			
	Α	Is it a substantial net County cost (NCC) program?	х			
	В	Is this a long term County program?	х			
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		Х		
	D	If no, are there any suitable County-owned facilities available?		х		
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			х	
	F	Is Building Description Report attached as Attachment B?			х	
	G	Was build-to-suit or capital project considered? 2		Х		
3.	Po	ortfolio Management				
	Α	Did department utilize CEO Space Request Evaluation (SRE)?			х	
	В	Was the space need justified?			х	
	С	If a renewal lease, was co-location with other County departments considered?			x	
	D	Why was this program not co-located?				
		1 The program clientele requires a "stand alone" facility.				
		2. X No suitable County occupied properties in project area.				
		3. X No County-owned facilities available for the project.				
		4 Could not get City clearance or approval.				
		5 The Program is being co-located.	-			
	Ε	Is lease a full service lease? ²		х		
	F	Has growth projection been considered in space request?	Х			
	G	Has the Dept. of Public Works completed seismic review/approval?			х	
		¹ As approved by the Board of Supervisors 11/17/98				
		² If not, why not?				

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE LEASE AGREEMENT

DEPARTMENT: PUBLIC LIBRARY, as Tenant
LANDLORD: CITY OF DIAMOND BAR

21810 COPLEY DRIVE, DIAMOND BAR

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COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE LEASE AGREEMENT

THIS LEASE is entered into as of the ______, 2011 between CITY OF DIAMOND BAR ("Landlord" or "City"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant" or "County").

Landlord and Tenant agree:

- 1. <u>BASIC LEASE INFORMATION</u>. The following terms as used herein shall have the meanings provided in this Section, unless otherwise specifically modified by provisions of this Lease.
 - 1.1 <u>Defined Terms Relating to the Lease</u>:

(a) <u>Landlord's Address for CITY OF DIAMOND BAR</u>

Notice: 21810 COPLEY DRIVE

DIAMOND BAR, CA 91765

Attention: City Clerk

(b) Tenant's Address for Notice: Board of Supervisors

Kenneth Hahn Hall of Administration,

Room 383

500 West Temple Street

Los Angeles, California 90012

With a copy to:

Chief Executive Office Real Estate Division

222 South Hill Street, 3rd Floor Los Angeles, California 90012 Attention: Director of Real Estate

And

Public Library Executive Office 7400 E. Imperial Highway Downey, California 90242 Attention: County Librarian

(c) Premises:

Approximately 18,000 rentable square feet and access to approximately 6,000 sq. ft. of shared space on the first floor of the Building (defined below) as shown on Exhibit A attached hereto.

(d) Building:

The two-story building located at 21810 Copley Drive, Diamond Bar, CA 91765 which is located upon the real property currently assessed by the County Assessor as APN 8293-050-022 (the "Property").

(e) Term:

Forty (40) years commencing upon Tenant's Acceptance of the Premises as defined in Section 4(a) (the "Commencement Date"); and terminating at midnight on the day before the Fortieth anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.

(f) Projected Commencement Date:

January 1, 2012

(g) Commencement Date:

TBD

(h) Irrevocable Offer Expiration Date:

August 31, 2011

(i) Basic Rent:

\$1.00 per year

(j) Early Termination Notice Date:

N/A

(k) Rentable Square Feet in the Approximately 18,000 Premises:

(l) <u>Use</u>:

General public library use

(m)Initial Departmental Use:

Public Library

(n) Parking Spaces:

Non-exclusive use of the parking spaces

available in the adjacent parking lot.

(o) Normal Working Hours:

Library operating hours as mutually agreed to by the County and City, except New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Columbus

Thanksgiving Day, Day after Thanksgiving, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.

(p) Asbestos Report:

N/A.

Defined Terms Relating to Landlord's Work Letter: 1.2

(a) Maximum Tenant

\$4,450,000

Contribution:

(b) Tenant's Work

Letter Fred Hungerford

Representative:

Chief Deputy Public Library

(c) Landlord's Work Letter David Doyle

Representative:

Assistant City Manager City of Diamond Bar

Address (d) Landlord's Work Letter Notice:

for CITY OF DIAMOND BAR

21810 COPLEY DRIVE

DIAMOND BAR, CA 91765

Attention: City Clerk

(e) Tenant's Address Workletter Notice:

for Board of Supervisors

Kenneth Hahn Hall of Administration,

Room 383

500 West Temple Street

Los Angeles, California 90012

With a copy to:

Chief Executive Office

Real Estate Division

222 South Hill Street, 3rd Floor Los Angeles, California 90012

Attention: Director of Real Estate

And

Public Library

Executive Office

7400 E. Imperial Highway Downey, California 90242

Attention: Chief Deputy

1.3 Exhibits to Lease:

Exhibit A - Floor Plan

Exhibit B - Commencement Date

Memorandum

Exhibit C - Cleaning and Maintenance

Schedule

Exhibit D - Landscape and Grounds

Maintenance

1.4 <u>Landlord's Work Letter</u>: (executed concurrently with this Lease and made a part hereof by this reference):

Landlord's Work Letter

Addendum A: Base Building Improvements

Addendum B: Tenant Improvements Addendum C: Tenant Improvement

Specifications / Scope of Work

Addendum D: Construction Manager Scope of

Work

Addendum E: Project Budget

2. PREMISES

Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto for the purpose of operating a public library in the Premises in conformance with Tenant's standard policies, procedures for library operations.

3. <u>COMMON AREAS</u>. Tenant may use the following areas ("Common Areas") in common with Landlord and other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Areas established by Landlord.

City shall be solely responsible for scheduling the temporary use of the community meeting room. The meeting room shall be used in the following priority order: 1) regularly scheduled meetings of City elected and appointed bodies; 2) regularly scheduled library activities; 3) non-regular City meetings; and 4) community meetings. City shall exercise its best efforts to meet County Library's needs for use of the rooms and not displace regular library meetings or activities. County shall be exempt from paying any rental fee for use of the community meeting room for meetings and events sponsored, organized, or hosted by the County Library, subject to approval in advance by the City.

4. COMMENCEMENT AND EXPIRATION DATES

- The term of this Lease shall commence upon the (a) Term. Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit B. The Commencement Date shall begin 30 days after Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantially Complete" or "Substantial Completion" as used in this Lease shall mean compliance with all of the following: (1) the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises; (2) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of Landlord supplied furniture, shelving and equipment including modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises; (3) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- (b) <u>Early Possession</u>. Tenant shall be entitled to possession of the Premises not less than 30 days prior to the Commencement Date for the purpose of installing Tenant provided furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions hereof but shall not advance the Termination Date.
- (c) Early Termination. The parties acknowledge that they have entered into this Lease to effectuate the provision of public library services in connection with an executed Memorandum of Understanding (MOU) between the City and the County. The MOU sets forth the City's and County's responsibilities with respect to using tax dollars to provide library services for the Diamond Bar community as part of the overall County Free Library System. In the event the City elects to withdraw from the County Free Library Free System, this Lease shall be terminated. In the event the City elects to withdraw from the County Free Library System before ten years from the date the Diamond Bar Library is completed, the City shall return to the County Library \$1,369.86 for each calendar day from the day after the City gives notice of its intent to leave the County Free Library System through the last day of the ten year period.
- 5. <u>RENT</u>. Tenant shall pay Landlord the Basic Rent stated in Section 1 for the entire Term (\$40.00) within 30 days after a claim therefore has been filed by Landlord with the County Library following occupancy by the Tenant. In the event that the agreement is terminated by either party prior to end of the term the Landlord shall rebate to the Tenant the pro-rated amount of any excess rent..

- 6. <u>USES</u>. The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose.
- 7. <u>HOLDOVER</u>. If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant subject to all of the terms, covenants and conditions of this Lease.
- 8. <u>COMPLIANCE WITH LAW</u>. Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

9. DAMAGE OR DESTRUCTION.

- (a) Damage. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made untenantable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again using standard working methods. The failure to do so shall be a material default hereunder. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.
- (b) <u>Tenant Termination Right</u>. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days for any reason, then Tenant may terminate this Lease by giving written notice within ten days after notice from Landlord specifying such time period of repair; and this Lease shall terminate. In the event that Tenant does not elect to terminate this Lease, Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises.

- (c) <u>Damage In Last Year</u>. Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than 30 days after such destruction, in which case (a) Landlord shall have no obligation to restore the Premises, (b) Landlord may retain all insurance proceeds relating to such destruction, and (c) this Lease shall terminate as of the date which is 30 days after such written notice of termination.
- (d) <u>Default By Landlord</u>. If Landlord is required to repair and restore the Premises as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may (a) declare a default hereunder or (b) perform or cause to be performed the restoration work.

10. REPAIRS AND MAINTENANCE.

- (a) <u>Landlord Representations</u>. Landlord represents to Tenant that (i) the Premises, the Building and all Common Areas, (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including the Americans With Disabilities Act; and are in reasonable good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; (iii) the Premises, Building and Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined); and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials.
- (b) <u>Landlord Obligations</u>. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed: (i) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems, concealed low voltage and data cabling; (ii) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building; (iii) the Common Areas; (iv) exterior windows of the Building; exterior and code required signage and (v) elevators serving the Building. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to: (1) 1 doors and (2) exterior signage.
- (c) <u>Tenant Obligations</u> Without limiting Landlord's Obligations, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, exposed phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (a) be made

and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld or delayed; (b) be at least equal in quality, value and utility to the original work or installation; and (c) be in accordance with all laws. The Tenant is responsible for the maintenance or replacement of any non-code related interior signage and floor coverings. The Tenant is also responsible for repainting the interior side of demising walls as mutually agreed by the Landlord and Tenant but not less often than after ten years of use. The Landlord grants the Tenant the right to use County resources including Public Library and Internal Services Department (ISD) staff to complete any required maintenance or repairs.

(d) Tenant's Right to Repair. If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than five days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). If the nature of the required action is such that the same cannot reasonably be accomplished within such five day period, Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum.

11. SERVICES AND UTILITIES.

Landlord shall furnish the following services and utilities to the Premises:

- (a) <u>Heating</u>, <u>Ventilation and Air Conditioning</u>. Landlord shall furnish HVAC, during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal public library purposes to a standard comparable to other first-class public libraries.
- (b) <u>Electricity</u>. Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or subpanels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

- (c) <u>Water</u>. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.
- (d) <u>Janitorial</u>. Landlord shall provide janitorial service per the specifications set forth in <u>Exhibit C</u> attached hereto.
- (e) <u>Landscaping and Grounds Maintenance</u>. Landlord shall provide landscape and grounds maintenance services, including services for the Library reading patio, generally consistent with that furnished at other of Landlord's municipal facilities.
- (f) Access. Landlord shall furnish to Tenant's employees and agents access to the Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.
- (g) <u>Utilities.</u> Landlord shall directly pay for all gas, heat, light, power and sewer charges supplied to the Premises, together with any taxes thereon. Tenant shall be responsible for all telecommunications, data, and internet access charges..
- 12. <u>LANDLORD ACCESS</u>. Tenant shall permit Landlord and its agents to enter the Premises upon prior written notice for the purpose of inspecting the Premises for any reasonable purpose. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency.

13. TENANT DEFAULT.

- (a) <u>Default</u>. The occurrence of any one or more of the following events (a "Tenant Default") shall constitute a material default and breach of this Lease by Tenant:
- (i) The failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder, as and when due and if the failure continues for a period of ten days after written notice to Tenant;
- (ii) The failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of 30 days after written notice from Landlord specifying in detail the nature of the Tenant Default; provided, however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.
- (b) <u>Termination</u>. Tenant agrees that if a Tenant Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

(c) No Effect on Indemnity. Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

14. LANDLORD DEFAULT.

- In addition to the provisions for Landlord's default (a) Remedies. provided by Section 9(d), Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(d)); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein: (i) to pursue the remedy of specific performance; and/or (ii) to terminate this Lease.
- (b) <u>Waiver</u> Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.
- (c) <u>Emergency</u> Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises.
- 15. <u>ASSIGNMENT AND SUBLETTING</u>. Tenant shall not assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent. Nor shall Tenant allow any other person (excluding Tenant's library employees, patrons, library volunteers and members of the Friends of the Library) to occupy or use the Premises on a continuous basis without Landlord's prior written consent. Landlord may grant or withhold its consent in its sole discretion. Any assignment or encumbrance made without Landlord's prior written consent shall be void, and at Landlord's election, constitute a material default. No consent to any assignment or encumbrance shall constitute a further waiver of this provision.

16. ALTERATIONS AND ADDITIONS.

- (a) <u>Landlord Consent</u> Except as provided herein, Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations"). However, Tenant may make an Alteration that satisfies all of the following criteria: (1) complies with all Laws; (2) is not visible from the exterior of the Premises or Building; (3) will not materially affect the systems or structure of the Building; and (4) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.
- (b) <u>End of Term</u>. Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

17. CONDEMNATION.

- (a) <u>Controlling Terms</u>. If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.
- (b) <u>Total Taking</u>. If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").
- (c) <u>Partial Taking</u>. If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days nor later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within 30 days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated.

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- (d) <u>Restoration</u>. Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within 90 days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.
- (e) <u>Award</u>. The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.
- (f) <u>Waiver of Statute</u>. Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

18. INDEMNIFICATION.

- (a) <u>Tenant's Indemnity</u>. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its employees, or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees.
- (b) <u>Landlord's Indemnity</u>. Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19. INSURANCE.

- (a) Landlord's Insurance Requirements. During the term of this Lease, Landlord shall maintain the following insurance:
- Landlord shall keep the Premises insured against loss or (i) damage by fire, lightening, vandalism, malicious mischief and such perils ordinarily defined as "extended coverage." Such insurance shall be in an amount not less than the full insurable replacement value of the Premises.
- Comprehensive public liability insurance insuring against (ii) injury to persons and damage to property through the California Joint Powers Insurance Authority.
- Failure of Landlord to maintain the insurance required by (iii) this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.
- (b) Tenant's Insurance Requirements. During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below. Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Lessor after execution of this Lease at Lessor's request.

Commercial General Liability Insurance providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:

\$ 2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury:

\$1 million

Each Occurrence:

\$ 1 million

(c) Waiver of Subrogation. Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

20. PARKING.

(a) <u>Tenant's Rights</u>. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building.

21. ENVIRONMENTAL MATTERS

- (a) Hazardous Materials. Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.
- (b) <u>Landlord Indemnity</u>. Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as

such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

- 22. <u>TENANT IMPROVEMENTS</u>. Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in the Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.
- 23. <u>LIENS</u>. Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.
- 24. <u>SURRENDER OF POSSESSION</u>. Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).
- 25. <u>SIGNAGE</u>. Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.
- 26. <u>QUIET ENJOYMENT</u>. So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

27. GENERAL

- (a) <u>Headings</u>. Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.
- (b) <u>Brokers</u>. Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

- (c) Entire Agreement. This Lease (and the Landlord's Work Letter and Supplemental Lease Documents) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.
- (d) <u>Severability</u>. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.
- (e) Notices. All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by first class mail, postage prepaid, delivered by a recognized overnight commercial messenger providing proof of delivery, sent by facsimile (electronically confirmed) or by electronic mail and followed by first class mail to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.
- (f) Governing Law and Forum. This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.
- (g) <u>Waivers</u>. No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.
- (h) <u>Time of Essence</u>. Time is of the essence for the performance of all of the obligations specified hereunder.
- (i) <u>Consent</u>. Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

28. AUTHORITY. Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County or its delegee (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

29. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

(a) <u>Solicitation of Consideration</u>. It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord with the implication, suggestion or statement that the landlord's provision of the consideration may secure more favorable treatment for the landlord in the award of the Lease or that landlord's failure to provide such consideration may negatively affect the County's consideration of the landlord's offer to lease. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the landlord's submission being eliminated from consideration.

(b) Landlord Assignment.

- (i) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (ii) The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.
- 30. <u>IRREVOCABLE OFFER</u>. In consideration for the time and expense that Tenant will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.

31. TITLE TO PROPERTY.

- (a) The parties hereby agree that title to real property and the Building shall remain vested in the Landlord during the term of this Lease and any extensions of the term as well as upon expiration or termination of this Lease. The City shall also retain title to the Tenant Improvements during the term and any extensions of the term as well as upon expiration or termination of this Lease. Title to furniture, fixtures, equipment and materials collection shall be vested in the Tenant during the term and any extensions of the term as well as upon expiration or termination of this Lease unless otherwise agreed upon by the parties or required by law.
- (b) The personal property and furniture provided by Tenant shall not become part of the realty but shall remain personal property owned and removable by the Tenant at any time. Landlord hereby waives any right to gain possession of the personal property during the Term.

IN WITNESS WHEREOF this Lease has been e	xecuted the day and year first above set			
forth.				
LANDLORD:	CITY OF DIAMOND BAR			
	By:			
	Its:			
TENANT:	COUNTY OF LOS ANGELES a body politic and corporate			
	a coay power and sorpring			
	By:			
	Michael D. Antonovich Mayor, Board of Supervisors			
ATTEST:				
Sachi A. Hamai Executive Officer-Clerk				
of the Board of Supervisors				
By:				
Deputy				
APPROVED AS TO FORM:				
ANDREA SHERIDAN ORDIN County Counsel				
By: Amy M. Caves, Senior Deputy				

EXHIBIT A FLOOR PLAN OF PREMISES

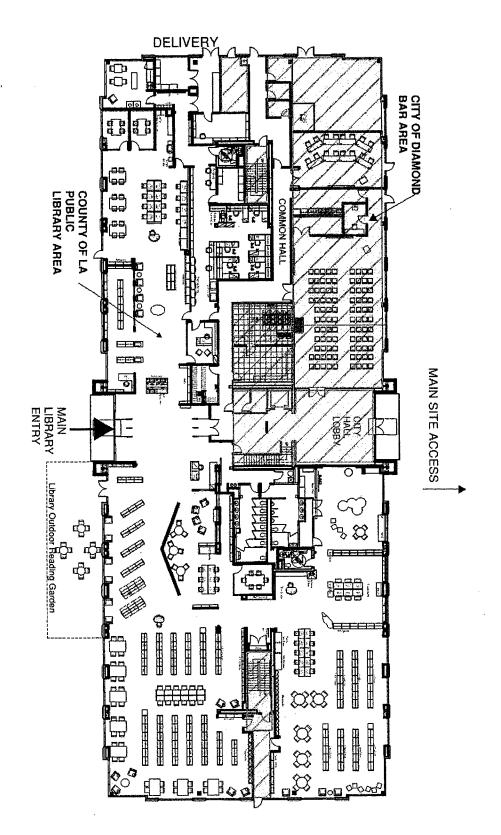


EXHIBIT B

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that County of Los Angeles, a body ("Landlord"), whereby Landlord premises in the building located a	politic and corporate leased to Tenant and	("Tenant"), and Cit description of the transfer of the transfe	y of Diamond Bar n Landlord certain
Landlord and Tenant herel	by acknowledge as foll	ows:	
(1) Landlord de Complete condition on	elivered possession of ("Pos	the Premises to Tenar session Date");	nt in a Substantially
(2) Tenant has same;	accepted possession	of the Premises and	now occupies the
(3) The Lease Date");	commenced on		_ ("Commencement
(4) The Premis	ses contain	rentable square feet o	of space; and
(5) Rent Per Y	ear is \$1.00.		
IN WITNESS WHEREOF,, 2011		is executed this	day of
"Tenant"		"Landlord"	
COUNTY OF LOS a body politic and corporate	ANGELES,	CITY OF DIAMO	OND BAR
By: Name: Its:		By: Name: Its:	

EXHIBIT C

CLEANING AND MAINTENANCE SCHEDULE

- 1. <u>DAILY</u> (Monday through Saturday)
 - A. Vacuum all carpeted areas to include edges, corners, under tables, under chairs and any other hard to reach areas)
 - 1. Vacuum all area rugs, including under tables and under chairs
 - 2. Vacuum all entry mats
 - 3. Spot clean all carpeted areas and area rugs, using the most appropriate method to completely remove the spot/stain without damaging the surface
 - B. Sweep, wet mop and disinfect all non-carpeted floors, including edges, corners, under tables, under chairs, under mats and any other hard to reach areas)
 - C. Clean all desks, tables and furniture, including top, base, legs and cross supports to remove dust, dirt, debris, fingerprints, smudges and markings, leaving the surface free of cleaning product residue and discoloration)
 - 1. Clean all chairs (all materials), including seat base, back, legs and cross supports to remove dust, dirt, debris, fingerprints, smudges and markings, leaving the surface free of cleaning product residue and discoloration)
 - 2. Dust, vacuum and spot clean all upholstered furniture, including under cushions and cushion edges.
 - 3. Remove dirt, dust and debris from the computer monitors, keyboards, fax machines, printers, photocopy machines and self-checkout machines using appropriate techniques and products to prevent damage
 - 4. Clean and disinfect telephone receivers and base units using appropriate techniques and products to prevent damage
 - 5. Remove dirt, dust and debris from all surfaces to a height of six (6) feet; includes but not limited to artwork (unless instructed otherwise), bookshelves (including all open spaces), bulletin boards, cubicle panels, display cases, framed pictures, fire alarms, fire extinguishers, light switch plates, magazine racks, shelves, signs, and thermostats
 - 6. DO NOT disturb any paperwork on top of desk or surrounding floors or tables
 - D. Empty and clean the interior and exterior surfaces of the trash receptacles and replace plastic liners

- E. Clean all glass and glass cases to remove dust, dirt, debris, fingerprints, smudges, tape, tape residue and markings, leaving the surface free of cleaning product residue and streaks
 - 1. Clean all doors (inside and out), including windows to remove dirt, marks, fingerprints, smudges, splashes and spots; includes threshold rail and frame (Note: Emergency Exit doors must not be opened to prevent alarms from sounding.)
 - 2. Clean all windows to a height of six (6) feet, including sills and frames, to remove dust, dirt, debris, fingerprints, smudges, tape, tape residue and markings, leaving the surface free of cleaning product residue and streaks
 - 3. Clean walls to remove dirt, marks, fingerprints, smudges, splashes, tape, tape residue, etc. leaving surface free of cleaning product residue and discoloration
- F. Clean, sanitize and polish water fountain basin and body to remove dust, dirt, debris, fingerprints, smudges, hard water stains and markings, leaving the surface free of cleaning product residue and discolorations

G. Restrooms

- 1. Clean entry doors (inside and out) to remove dirt, marks, fingerprints, smudges, splashes and spots; includes threshold rail and frame
- 2. Clean and polish entry door push plates, knobs and kick plates
- 3. Clean and sanitize sinks and faucets; polish chrome-finished fixtures, including the removal of hard water stains and deposits regardless of source
- 4. Clean mirrors, including chrome-finished edges, to remove spots, smudges and leave streak-free, including the removal of hard water stains and deposits regardless of source
- 5. Clean all exposed pipe fixtures including the removal of hard water stains and deposits regardless of source
- 6. Clean and sanitize all dispensers; soap, paper towel, toilet seat cover and toilet paper
- 7. Clean and sanitize all toilet seats, bowls, bases, flushing levers and pipe fixtures, including the removal of hard water stains and deposits regardless of source
- 8. Clean and sanitize the exterior and interior surfaces of the baby-changing tables
- 9. Clean, sanitize and polish (when necessary) all handrails
- 10. Clean and sanitize urinals, flushing levers and pipe fixtures, including the removal of hard water stains and deposits regardless of source

- 11. Clean stall partitions, supports, bases, doors (inside and out), latches/knobs to remove dirt, marks, fingerprints, smudges, splashes, etc.
- 12. Refill all dispensers; soap, paper towel, toilet seat cover, sanitary napkin/tampon, toilet paper, baby-changing table liners
- 13. Sweep, wet mop and disinfect all floors, leaving baseboards and walls free of splashes and/or marks from cleaning equipment/products
- H. Remove graffiti from all surfaces where found

I. Kitchen/Lunchroom area

- 1. Clean and sanitize the exterior surfaces of the refrigerator, stove/range, microwave, toaster, and toaster oven
- 2. Clean exterior of all cupboards including knobs/handles to remove dust, dirt, debris, fingerprints, smudges, and markings, leaving the surface free of cleaning product residue and discoloration
- 3. Clean and sanitize all dispensers; soap and paper towel
- 4. Refill all dispensers; soap (with dish soap), paper towel
- J. Clean all exterior book drop containers and wall-mount deposit doors to remove dust, dirt, debris, fingerprints, smudges, tape, tape residue and markings, leaving the surface free of cleaning product residue and streaks
- K. Clean all exterior wall-mount mail-drop doors to remove dust, dirt, debris, fingerprints, smudges, tape, tape residue and markings, leaving the surface free of cleaning product residue and streaks
- L. Clean all exterior signs and plaques to remove dust, dirt, debris, fingerprints, smudges, tape, tape residue and markings, leaving the surface free of cleaning product residue and streaks
- M. Empty and clean the exterior surfaces of the exterior trash receptacles and replace plastic liners
- N. Empty and clean the exterior cigarette urns
- O. Sweep the library entry area to a reasonable location; collect and dispose of swept dirt, debris, etc.
- P. Sweep the library loading dock and side/rear staff entrances; collect and dispose of swept dirt, debris, etc.

- Q. Sweep and dispose of all trash in the library exterior patio/lunch area; collect and dispose of swept dirt, debris, etc.
- R. Locate and dispose of all trash in the parking lot, including, but not limited to, cups, bottles, plastic/paper bags, newspapers, papers and clothing
- S. Locate and dispose of all trash in the loading dock, side/rear staff entrances, including, but not limited to, cups, bottles, plastic/paper bags, newspapers, papers and clothing

2. WEEKLY

- A. Dust all surfaces (6 feet and ABOVE)
- B. Remove visible cobwebs up to 12 feet
- C. Dust window blinds and shades
- D. Clean all baseboards
- E. Clean and sanitize handrails
- F. Hose down sidewalks, steps, walkways, stairs loading docks, entry and patio areas

QUARTERLY

A. FLOORS

- 1. Strip and wax or seal floors
- 2. Degrease and remove chemical spills from areas surrounding all photocopy machines
- 3. Strip and clean thoroughly (including corners and behind doors) all floors using appropriate cleaning material for various tile types
- 4. Wax or seal and buff thoroughly (including corners and behind doors) all floors using appropriate cleaning material for various tile types
- 5. For floors where stripping, waxing or sealing is not indicated, a deep cleaning shall be performed
- 6. Return all furniture to its original position after the floors are cleaned; and leave baseboards and walls free of splashes and/or marks from cleaning equipment/products

B. CARPET

- 1. Shampoo carpet and area rugs
- 2. Degrease and remove chemical spills from areas surrounding all photocopy machines

- 3. Shampoo thoroughly (including corners and behind doors) all carpeted areas using appropriate cleaning material for various carpet types
- 4. Return all furniture to its original position after the floors are cleaned; and leave baseboards and walls free of splashes and/or marks from cleaning equipment/products

C. WINDOWS (Interior and Exterior)

- 1. Clean full length of all windows including frames and sills
- 2. Clean windows using ladders, scaffolding, hydraulic lifts, or catwalks as appropriate
- 3. Clean thoroughly, including the removal of hard water stains and deposits regardless of source, using appropriate cleaning materials

D. CEILING/WALL VENTS

- 1. Clean ceiling air vents
- 2. Clean wall, air or heat vents
- 3. Remove all vents using ladders, scaffolding, hydraulic lifts, or catwalks as appropriate
- 4. Remove and clean thoroughly all covers using appropriate cleaning materials
- 5. Vacuum air vents thoroughly

E. MECHO SHADES

- 1. Clean mecho shades
- 2. Dry dust mecho shades using appropriate equipment
- 3. Do not remove mecho shades

F. FURNITURE

- 1. Shampoo upholstered furniture and clean wood, plastic, and vinyl chairs every
- 2. Shampoo and remove stains thoroughly from all upholstered furniture using appropriate cleaning materials for various upholstery types
- 3. Clean thoroughly all wood, plastic and vinyl chairs using appropriate cleaning materials
- 4. Thoroughly vacuum under seat cushions

5. <u>SEMI-ANNUALLY</u>

- A. LIGHT FIXTURES (Interior and Exterior)
 - 1. Clean light fixtures (frames and lens)
 - 2. Clean thoroughly all light fixtures (frames and lens) using appropriate cleaning materials
 - 3. Remove all lens using ladders, scaffolding, hydraulic lifts, or catwalks as appropriate
 - 4. Report any burned out ballasts, faulty wiring, starters, or other hazardous conditions relative to faulty lighting fixtures upon discovery to the County Contract Project Monitor upon discovery

LANDLORD'S WORK LETTER

For

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE LEASE AND AGREEMENT

DEPARTMENT: Public Library, as Tenant

LANDLORD: City of Diamond Bar

Address: 21810 Copley Drive, Diamond Bar, CA 91765

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease (the "Lease") dated , 2011, executed concurrently herewith, by and between CITY OF DIAMOND BAR as Landlord, and COUNTY OF LOS ANGELES as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. <u>Basic Work Letter Information</u>. The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

(a) Maximum Tenant Contribution (MTC)	\$4,450,000 unless additional amount approved by County
(f) <u>Tenant's Work Letter</u> <u>Representative</u>	Fred Hungerford Chief Deputy Public Library
(g) <u>Landlord's Work Letter</u> <u>Representative</u>	David Doyle Assistant City Manager City of Diamond Bar
(h) <u>Landlord's Address for Work Letter</u> Notice	CITY OF DIAMOND BAR 21810 COPLEY DRIVE DIAMOND BAR, CA 91765 Attention: City Clerk
(i) Tenant's Address for Work Letter Notice	Board of Supervisors Kenneth Hahn Hall of Administration Room 383 500 West Temple Street Los Angeles, California 90012 With a copy to: Chief Executive Office Real Estate Division 222 South Hill Street, 3rd Floor Los Angeles, California 90012 Attention: Director of Real Estate And

	Public Library Executive Office 7400 E. Imperial Highway Downey, California 90242 Attention: County Librarian
(j) Addenda	Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Tenant Improvement Specifications / Scope of Work Addendum D: Construction Manager Scope of Work Addendum E: Project Budget

2. Construction of the Improvements.

Landlord shall cause its architects, engineers and contractors to prepare the Construction Documents and to construct tenant improvements within the Premises pursuant to the mutually agreed upon Plans and Specifications dated May 23, 2011, and the total costs of the Project shall not exceed the Maximum Tenant Contribution (MTC).

3. <u>Selection of Contractor and the Construction Process.</u>

- 3.1 Selection of Contractor. The Construction Documents for the Tenant Improvements shall be submitted to contractor(s), and the contractor(s) shall be requested to submit a sealed fixed price contract bid price (on such contract form as Landlord shall designate) to construct the Tenant Improvements designated on the Construction Documents. Landlord and Tenant shall jointly open and review the bids. Landlord shall select the lowest responsible bidder and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.
- 3.2 <u>Permits</u>. Landlord and its Contractor shall secure the approval of governmental authorities, and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after Tenant's approval of the Construction Documents.
- 3.3 <u>Schedule</u>. Within 30 days after the award of contract to a General Contractor, General Contractor shall submit to Landlord and Tenant a detailed construction schedule, , setting forth the dates for specific completion of certain project benchmarks including, but not limited to, award of construction contract, construction commencement, construction substantial completion, and other similar dates. As the construction continues, Landlord shall amend the schedule from time to time to reflect any changes to the projected dates.

- 3.4 <u>Commencement of Construction</u>. Landlord shall cause its Contractor to commence construction of the Tenant Improvements within 15 business days after issuance of all such necessary permits. Landlord's Contractor shall commence and, once commenced, shall thereafter diligently proceed to construct and complete all Tenant Improvements, subject to any cessation that may be caused by Force Majeure Delays.
- 3.5 <u>Change Orders.</u> Tenant and Landlord may make changes, additions, deletions or alterations in the Tenant's Construction Documents ("Change Order") provided both Tenant and Landlord approve such changes in writing. Moreover, the Change Orders combined with the Construction Budget shall not exceed the MTC. The County Librarian or her designee is responsible for authorizing any Change Orders on behalf of Tenant.
- 3.6 <u>Clean-Up Work</u>. Landlord's Contractor will be responsible for all cleanup with respect to the Tenant Improvements, whether in the Premises themselves or in other areas utilized by Landlord or its contractors.
- 3.7 Compliance with Laws. Construction of the Tenant Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all provisions of the Labor Code of the State of California. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.
- 3.8 Representatives on Site. The Landlord agrees that the Tenant may have on Site, at its own expense, at any time during the Work, designated representatives of the Tenant who shall have a right of access to said construction work to ascertain that the Work is being performed in accordance with the drawings and specifications. The Landlord additionally agrees that the Tenant may have on Site at its own expense at any time during the Work, a project manager to coordinate with the Landlord regarding any and all necessary staff moves required due to the construction. The Landlord shall allow the designated representatives of the Tenant to participate in construction meetings for the Work in order to verify that the facility is being constructed in accordance with the construction drawings. The schedule for construction meetings shall be mutually developed by the Landlord and Tenant.
- 3.9 Acceptance of Work. Prior to the Tenant's acceptance of the Library for occupancy, the parties' representatives shall conduct a walk-through to confirm that the improvements, other than minor punch list items, have been completed to the Tenant's reasonable satisfaction. The Tenant's acceptance of the Library for occupancy shall constitute acknowledgment that the Library is in good order upon commencement of this lease, except for those minor punch list items identified in

writing. The Landlord shall complete, or shall cause to be completed, all such punch list items within thirty (30) days of the Tenant's occupancy of the Library. In the event that the Landlord fails to do so, then the Tenant may at its sole option perform or cause performance of the work and charge the reasonable cost thereof to the Landlord and Landlord shall pay such charge. The Tenant_shall not give its Acceptance of the completed Work until a final walk-through of the Project by the Landlord and the Tenant's representatives has been conducted and all punch list items have been completed to the Tenant's satisfaction.

3.10 <u>As-Built Drawings.</u> Within 60 days after Substantial Completion of the Tenant Improvements and receipt from the Contractor of all field changes, Landlord shall submit to Tenant sets of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted on a DVD disk in AutoCAD 2011 (or latest version) format, along with three sets of drawings and conformed specifications.

4. Final Construction Budget and Payment of Tenant Construction Costs

4.1 <u>Construction and Project Budget</u> When considering the costs of the Tenant Improvements, the following shall be included in the determination of said costs: an amount equal to Landlord's actual costs for architects' fees, contractors' fees, engineers' fees, construction management fees, plan check and permit fees, furniture, fixtures, equipment, Tenant's pro-rata share of costs for common area improvements shared by the Tenant and Landlord. and other professionals' fees (if any, and only as approved in advance by Tenant).

The Construction Budget combined with the soft costs and furniture costs shall constitute the Project Budget ("Project Budget"), which is attached hereto and incorporated herein as Addendum C. The City will notify the County when the Project Budget amount has been incurred up to 75% of the Project Budget.

- 4.2 <u>Payment of Tenant Improvement Costs</u>. All improvements required by the Construction Documents and modular furniture, shall be collectively referred to herein as "Tenant Improvements" and the cost thereof shall be first borne by Landlord and later reimbursed by Tenant in the manner provided for in section 7.3 hereof. Costs of Tenant Improvements may include costs for furniture, telecommunications equipment, soft costs and any other costs designated in writing by Tenant in the aggregate. Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements except for delays or costs arising from Tenant Delays.
- 4.3 <u>Method of Payment.</u> The Maximum Tenant Contribution (MTC), in the amount of \$4,450,000, is the amount of funds the County Board of Supervisors have allocated to this project for Tenant Improvements. The Tenant shall reimburse the Landlord for costs incurred by the Landlord for the Tenant Improvements subject to the Tenant's approval of the invoices and supporting documentation submitted by the Landlord. Landlord and Tenant shall mutually agree on a schedule of progress payments to be made by Tenant to Landlord throughout the construction period. The Tenant will not reimburse the Landlord for the cost of

administrative staff devoted to this project. The total amount of the Tenant's payment to the Landlord shall not exceed the MTC. Should the project cost exceed the MTC at any time during construction, the Tenant and Landlord shall meet and mutually agree upon a financial plan to complete the project.

Tenant shall not be responsible for providing the entire MTC to the Landlord. Tenant and Landlord shall mutually agree on which expenses that have been incurred shall be subject to reimbursement using the MTC funds which include the cost of improvements to the library space and the pro-rata share of costs for common area improvements shared by the Tenant and Landlord

4.4. Corrective Action Plan. The Tenant's designated representative shall monitor the progress of the Work as compared to the mutually-approved and periodically updated Project Schedule and Project Budget. If the Tenant's representative or the Landlord determines at any time that the Work may not be completed within the Project Budget, or the progress of the Work is 10% or more behind the Project Schedule, the parties shall meet as soon as possible following receipt of notice to determine how the Work may be completed within the Project Budget or how the deviation or potential deviation from the Project Schedule and/or the Project Budget will be cured. If, in the County's sole discretion, it appears possible to cure the deviation within the Project Budget and/or Project Schedule, the parties shall exercise their best efforts to mutually agree to a Corrective Action Plan to complete the Work within the Project Budget and/or Project Schedule.

In the Event the Corrective Action Plan fails to restore the Project to compliance with the current Project Budget and/or Project Schedule, or the County determines that the Project Budget is insufficient to complete the Work as described herein, the parties shall exercise their best efforts to meet and confer as to changes to the Work which would allow a modified Project to be completed within the Project Budget and/or Project Schedule, and additional resources available to add to the Project Budget to complete the Project, including but not limited to use of as-yet-unallocated set aside funds as those funds are described in the Memorandum of Understanding approved by the County Board of Supervisors.. The final decision as to how the funds remaining in the Project Budget shall be used shall be determined in the County's sole discretion after consideration of implementing the purpose of the Project to the greatest extent possible

5. Furniture System. Landlord shall cause the architect to deliver to Tenant within 60 business days after the Lease is executed by the County Board of Supervisors, furniture plans and specifications (the "Furniture Specifications", Exhibit A to the Lease). Based on the Furniture Specifications, Landlord and /or Landlord's architect shall prepare a furniture specifications bid package for submission to no less than 3 furniture vendors. Prior to submission for bids, Landlord shall review the bid package with Tenant and Tenant shall have the right to approve or disapprove the bid package for any items for which the County does not have an established purchase agreement. The bids shall be jointly opened and reviewed. The bids shall include an itemized list of all materials and labor and shall include all additional costs (shipping, storage, and taxes). Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified

bidder offering and such vendor ("Vendor") shall enter into a contract ("Furniture Contract") with Landlord consistent with the terms of the bid. Landlord shall be responsible for ordering the furniture and its installation in accordance with the Furniture Specifications. The Tenant will purchase and install computers, printers, bar code readers required for library operation. The Landlord and Tenant agree that cost of computers and peripheral equipment is included in the Project Budget. The furniture combined with the Project Budget shall not exceed the MTC.

- 6. <u>Civic Art</u>. Consistent with the Civic Art Policy adopted by the County Board of Supervisors on December 7, 2004, one percent (1%) of the cost of design services and construction costs of the new library facility will be transferred to the Civic Art Fund to provide civic arts for the project. Art(s) for the project will be mutually selected and approved by the County and City in accordance with the County's Civic Art Policy.
- 7. Tenant Improvement Costs Adjustment and Right to Audit. Within 20 days of the issuance of a Certificate of Occupancy, or a final sign-off by the Fire and Building Inspectors, whichever occurs first, Landlord shall notify Tenant of the final Tenant Improvement costs. Tenant shall have the right to audit such costs for a period of 12 months from the date of Tenant's acceptance of the Premises. In the event the audit shows that Tenant is entitled to a reduction in payments to the Landlord under this Landlord's Work Letter, Tenant shall provide Landlord with a copy of the audit summary and Landlord shall pay Tenant the amount of any overpayment made by Tenant within 30 days. In the event that said audit determines that the Tenant underpaid landlord, tenant shall pay landlord the amount of any under payment within 30 days so as long as such amount is within the MTC.
- 8. <u>Exclusions</u>. Landlord and Tenant shall each bear their administrative costs and staff time devoted to this project and such costs shall not be charged to the set aside funds outlined in the MOU/Library Services Agreement, which is Exhibit C to the Lease.
- **Telephone/Computer Room and Equipment.** Landlord shall complete the Main Communication Room (MCR) including permanent power and HVAC, in compliance with the Space Plan and specifications provided by Tenant, at least 45 days prior to the Projected Commencement Date. The MCR must be capable of being secured prior to the delivery of Tenant's telecommunications and data equipment. County personnel must be present for any work to be conducted by the Landlord or contractor's once County equipment has been installed in the room. Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto.

10. Representatives.

(a) <u>Tenant Representative</u>. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Landlord's Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter

and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.

The County's Designated Representative shall monitor the progress of the Work as compared to the mutually-approved and periodically updated Project Schedule and Project Budget. If the County's Designated Representative or the City determines at any time that the Work may not be completed within the Project Budget, or the progress of the Work is 10% or more behind the Project Schedule, the parties shall meet as soon as possible following receipt of notice to determine how the Work may be completed within the Project Budget or how the deviation or potential deviation from the Project Schedule and/or the Project Budget will be cured. If, in the County's sole discretion, it appears possible to cure the deviation within the Project Budget and/or Project Schedule, the parties shall exercise their best efforts to mutually agree to a Corrective Action Plan to complete the Work within the Project Budget and/or Project Schedule.

(b) <u>Landlord Representative</u>. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Landlord's Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.

LANDLORD:	
CITY OF DIAMOND BAR	
D	
By: Name: Its:	
TENANT:	
COUNTY OF LOS ANGELES, a body politic and corporate	
n	i
By: Michael D. Antonovich Mayor, Board of Supervisors	

ADDENDUM A To Landlord's Work Letter

TENANT IMPROVEMENTS - SCOPE OF WORK

Landlord shall cause all Tenant improvements to be constructed in full compliance with the Diamond Bar Library Project Plans and Specifications herein incorporated by reference that have been mutually approved and signed by the Landlord and Tenant on May 23, 2011. Addendums issued for the library space must also be approved by the Landlord and Tennant.

ADDENDUM B To Landlord's Work Letter

Construction Manager Scope of Work

The new Diamond Bar Library will be located at 21810 Copley Dr., in Diamond Bar, across the street from the existing City Hall. The 57,000 ft.² two-story commercial office building will house upon completion the majority of the City Hall offices and a branch of the County of Los Angeles Public Library (COLAPL). This RFP for construction management services focuses in on the more complex portion of the library project as outlined in section 4. And in addition provides a supplemental proposal request for the City Hall portion of the project in section 5.

The RFP establishes a contract that provides a single point of contact for the library on behalf of the city and County. Heery International will demonstrate the value, the economy of scale, coordination and savings to the city and County by combining the construction management services for both projects.

The Diamond Bar branch library is owned and operated by the (COLAPL), it will be located in approximately 23,000 ft.² of the first floor. Through an interlocal agreement between the city and County, the County will fund the cost to renovate the libraries portion of the building and operate the library upon completion. The city will manage the design and construction portion of both projects. Both the library and the City Hall portion of the project will be under one construction contract, with separate funding and invoicing. There are certain areas of the project that will encroach upon the other project, for example; secured space within the other projects footprint and technical interaction between the city and County i.e. data/phone ports within certain areas of the building, these areas will need to be identified and tracked for proper funding.

As per the RFP the City Hall portion of the project will be completed within approximately 20 weeks. The construction portion of the library project will be completed within approximately 40 weeks plus an 8-week move-in period. Coordination of all major demolition for both projects should be identified within the construction documents to be completed within those 20 weeks, to minimize disruption of City Hall operations. The City Hall portion of the project will have minimal impact on the HVAC system; however the library portion of the project will have major modifications to the HVAC system to accommodate the specialized ceilings. The majority of the demolition in the building is within the library portion of the project.

Item I. Construction Management Firm: The firm will not be performing preconstruction services as per **addendum #2**, item i. <u>Value engineering/final plan review</u>. Instead "the successful firm shall analyze the plans and specifications and provide a written report notifying county and city of any potential problems or issues contained therein." Heery International shall provide to the county and city within 21 days a written report outlining any potential issues or constraints.

Item II. Construction Administration: The construction manager shall prepare a "project specific construction management plan containing the specific procedures to be followed for this project." This plan will contain all of the policies and procedures and roles and responsibilities as outlined within the RFP and the construction documents. It will identify all milestones, deliverables, sub deliverables and terminal elements as required within the contract documents and construction practices. This plan will be submitted to the city and County for review and comment. Once this outline is approved it will become the official guidelines for this project.

Item III. <u>Pre-construction Conferences</u>: The construction manager shall plan, schedule and conduct the pre-construction strategic planning conference with the contractor, equipment suppliers, utility agents, city, and county staff to review issues pertaining to the project's implementation and administration.

Item IV. Administer Request For Information (RFI): Request for change orders (RFC), submittals and shop drawings. The Construction Manager will have a complete and thorough understanding of the construction documents. As outlined in the construction management plan. The CM shall evaluate the Contractor's RFI's, RFC's and all submittals prior to forwarding them to the architect for review and response. The CM shall coordinate an appropriate response with the City, County Representative and project Architect. The CM shall process all RFI's, RFC's, and all submittals within the time frame established within the project specifications and outlined within the construction management plan.

Item V. The project is managed utilizing a web-based project management information control system (MICS). Heery utilizes internet technology and collaborative software such as "Constructware" to provide real-time transfer of necessary information and tracking for program communication, controls, scheduling, budgeting, reporting Being web-based and user-friendly, all documents and contract documents. participants—the City of Diamond Bar and Los Angeles County, Project Managers, Architects, Construction Managers, Contractors, and Subcontractors—receive real-time data which reduces delays in the decision-making process. By using web-based, collaborative software, Heery can draw upon its entire multidisciplinary staff-whether located in the home office, City of Diamond Bar offices, or project office—to perform its scope of services for the project. This state-of-the art technology provides a complete set of tools for Heery's staff of architects, engineers, planners, estimators and other specialists; and is fully capable of addressing all of the City's technical requirements. A project specific User's Manual will be developed with orientation and training in the use of the program.

Item VI. <u>Monthly Construction Progress Report:</u> The CM shall provide a detailed monthly progress report to the City and County within the first week of each month. The information provided will be as outlined in the construction management plan. i.e. photos, schedules, problem areas.

Item VII. Conduct Weekly Progress Meetings: CM shall conduct a weekly onsight progress meeting with the contractor and all appropriate team members as outlined within the construction documents and the construction management plan. The CM shall distribute meeting minutes the following day to all appropriate team members and stakeholders.

Item VIII. Review of Contractor's CPM Schedule: As part of our initial review of the contract documents within the 21 days allowed, the CM team will establish a baseline schedule. The CM shall perform a detailed review of the Contractor's baseline CPM to confirm specified construction sequencing and schedule constraints, as well as all submittal, construction, shutdowns and tie-ins, startup and testing, and closeout activities. Upon acceptance of the contractor's schedule, all work and coordination, payment requests, and change orders will be will be based off the contractor's schedule.

- Item IX. Review Contractor's Progress Payment Requests: As outlined above, the payment requests will be evaluated off the schedule of values and approved contractor's schedule. A copy of the progress payment will be included in each monthly progress report. Approval of payment request will be issued by the city.
- Item X. <u>Change Order Administration:</u> The CM shall manage the change order process as outlined within the construction documents and the construction management plan. The City will conduct the final change order negotiations and prepare the final change order documents subject to approval by the County/City.
- Item XI. <u>Identification of Potential Claims:</u> The CM shall track and manage all extra work items through a tracking system developed and identified from the construction documents and the construction management plan. Any potential claims will be reported on the monthly report.
- Item XII. Operation and Maintenance Manuals: The CM will receive and consolidate the contractor's submittals of equipment operations and maintenance manuals, warranties and guarantees for materials and equipment installed in the project as outlined within the construction documents and the construction management plan.
- Item XIII. <u>Startup and Commissioning Plan and Testing Reports:</u> The CM will coordinate closely with the contractor, equipment vendors and county/cities operations staff during development of the contractor's startup and commissioning plan. The precommissioning checklist and systematic startup procedures as outlined within the construction specifications and construction management plan will be followed.
- Item XIV. <u>As Built Drawings:</u> As outlined within the construction specifications and the construction management plan, the CM shall ensure the contractor completes and submits as built drawings for review and verification.
- Item XV. <u>Project Closeout:</u> The CM shall supervise and implement the project closeout procedures. CM shall coordinate to deliver O&M manuals, training, and securing record drawings (as built drawings) in accordance with the contract documents and as outlined within the construction management plan.
 - Item XVI. Inspection Services: The CM will log all city required building permits.
- Item XVII. <u>Construction Inspection: Heery</u> shall verify and document contractor's daily work activities and log all daily and weekly inspection reports as outlined in the construction documents and construction management plan. All inspections and testing will be kept in a separate log for review. Still photos and video records shall be taken of work progress to document the contractor's work.

All construction activities shall be coded using the CPM schedule activity numbers.

Item XVIII. General Design, Construction and Consultation Services: In addition to the specific responsibilities outlined in the above items, the CM will provide advice throughout the construction process. As outlined in the construction management plan, the CM will track, through a visitor's log, architects and consultants on site work. Provide support to the city/county in evaluating and tracking project budgets with regard to contingencies and owner budged items. Many of these support elements will be identified within the construction management plan.

Item XIX. <u>Coordination of Furniture, Fixtures & Equipment:</u> The CM will coordinate with the architect and the county/city on FF&E for the new library and city hall. CM shall participate in related meetings, obtaining of county/city approvals of FF&E items, review of shop drawings, preparation of purchase documentation coordination with the general contractor on related site work, and perform coordination and administrative duties associated with FF&E purchases and deliveries.

Item XX. <u>Coordination of Soils and Materials Testing:</u> The CM shall coordinate with testing laboratories hired by the city and subject to review by the county.

Item XXI. Mill Inspections: Heery shall coordinate and log any mill inspections or authenticate vendor sites where materials may be produced or stored.

Item XXII. <u>Final Inspection:</u> CM will confirm a satisfactory completion of all contract and change order work as outlined in the construction documents and the construction management plan. CM's inspection staff shall perform a final project walk thru with the city and county to prepare the final punch list. Any outstanding items remaining from the preliminary punch list and logs of non-conforming work shall be added. CM shall prepare an estimate of the value of the punch list work so that any items that the contractor does not complete can be deducted from the final payment due the contractor, in accordance with the contract documents.

Item XXIII. Final Report: At the completion of the project the construction management firm will prepare a final report with the sections listed below.

- A. Project Description and Overview
- B. Actions and Items that Contributed to the Success
- C. Actions or Inactions that Created Problems and Caused Cost and Time Over Runs
- D. Lessons Learned
- E. Project progress photographs
- F. Appendix 1
 - 1. Accident reports and certificates of insurance
 - 2. Contractor performance evaluations
 - 3. A/E performance evaluations
 - Master File Index
 - 5. Record Storage File Index
- G. Appendix 2 Electronic Files
 - 1. Electronic copy of master project schedule

- 2. Electronic copy of action tracking log
- 3. Electronic copy of project directory
- 4. Electronic copies of RFI, ASI, and Submittal Tracking logs
- 5. Electronic copy of all outgoing correspondence

As outlined with all of the items above, Heery International has a clear understanding of the scope of work identified within the RFP. Heery International upon execution of this contract will review, evaluate existing contract documents and plans, establish a construction management plan, a baseline schedule, and identify any potential issues and provide recommendations to the city/county to minimize any potential costs or time impacts to the project.

ADDENDUM C To Landlord's Work Letter PROJECT BUDGET

Construction

Construction Contract	\$ 2	2,836,500	
Other Construction	\$	246,901	
Construction Contingency	\$_	312,015	
Total Construction	\$ 3,395,416		
Furniture, Fixtures and Equipment	\$	732,000	
Architectural and Engineering Services	\$	324,810	
Construction Management Services	\$	450,000	
Permit & Fees/Bid Sets	\$	96,500	
Miscellaneous	<u>\$</u> _	1,274	
Total	\$:	5,000,000	



MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF LOS ANGELES AND

THE CITY OF DIAMOND BAR
FOR THE DIAMOND BAR LIBRARY

MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF LOS ANGELES AND THE CITY OF DIAMOND BAR FOR THE DIAMOND BAR LIBRARY

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MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF LOS ANGELES AND THE CITY OF DIAMOND BAR FOR THE DIAMOND BAR LIBRARY

This M	EMORAND	DUM OF UI	NDEI	RSTA	NDIN	G (h	ereina	fter "M	OU") is	en	tered into
as of the	day of				_, 201	1, by	and l	oetwee	n the (COL	JNTY OF
LOS ANGEL	ES, a body	corporate	and	politi	c and	a po	olitical	subdiv	ision of	the	State of
California, (he	ereinafter '	"County"),	and	the	CITY	OF	DIAN	IOND	BAR.	а	municipal
corporation, (,		

RECITALS

WHEREAS, the County owns the Diamond Bar Library and the real property on which the library sits, located at 1061 S. Grand Avenue, Diamond Bar, CA 91765; and

WHEREAS, the County and the City desire an improved library facility and enhanced services for the public, and recognize that the existing library is undersized to meet the needs of the current service population; and

WHEREAS, the County and the City both wish for the City to remain within the County Library System; and

WHEREAS, the City recently purchased a two-story building and the real property upon which it sits, located at 21810 Copley Drive, Diamond Bar, CA 91765 for use as a City Hall and other municipal functions; and

WHEREAS, the City has offered to provide approximately 24,000 sq. ft. of dedicated and shared space on the first floor of the building for use as a library and for the Diamond Bar Library to be relocated from its current location to 21810 Copley Drive, Diamond Bar, CA 91765; and

WHEREAS, the City, through separate agreements, engaged the services of an Architect to provide professional design, architectural and engineering services for the interior renovations of the building and a Library Consultant to provide programming, design development and coordination service; and

WHEREAS, on March 1, 2011, the Board of Supervisors authorized the County's Chief Executive Officer to execute a funding agreement with the City of Diamond Bar for architectural services for the Diamond Bar Library at an amount not to exceed \$550,000; and

WHEREAS, the County will fund all costs associated with the design, construction and furnishing of the Diamond Bar Library at a cost not to exceed the current estimate of \$5 million; such funding is under the condition that the City agrees to

stay within the County Library system for a minimum of ten years unless the City chooses to exercise the withdrawal terms contained in Section 4.B; and

WHEREAS, the County and the City both recognize that a majority of the property taxes paid by City property owners reserved for the County Library System are actually used to fund the operations of the Diamond Bar Library; but that over the next several years, the amount of such property taxes collected from the City property owners, will periodically exceed the operating costs of the facility; and

WHEREAS, the County and the City both believe that these excess funds should primarily be used to implement the new library project or enhance services at the existing County library, which will accomplish the mutually desired improvement in the facility and services of the Diamond Bar Library; and

WHEREAS, the County and the City will meet in November of each fiscal year to mutually determine the level of library service to be provided to the City on an annual basis.

NOW, THEREFORE, in consideration of the foregoing and of the promises and covenants set forth herein, the parties agree as follows:

1. SERVICE LEVELS

- Α. The County Library operates the Diamond Bar Library that currently provides reference services, public access Internet computers, WiFi and children's and young adult programming including regularly scheduled toddler and preschool storytimes. The County Library currently conducts routine maintenance and repair the library facilities includina ianitorial landscaping/groundskeeping, and technological systems (telephones, internet connections etc.) for the library. The County will relocate its library operations from its existing facility at 1061 S. Grand Avenue in Diamond Bar to the new facility at 21810 Copley Drive and will transfer from the existing library all such equipment, book, periodical and other collections and other supplies and amenities as are owned by County and appropriate for transfer. transfer shall be at County expense. County's occupancy of the new Diamond Bar Library and the parties' respective maintenance responsibilities for the new Library will be governed by a lease agreement.
- B. The County Library and City shall meet on an annual basis to determine the service levels for the operation of the Diamond Bar Library based on available revenue. All of the ad valorem property tax revenue collected from property located within the City which is reserved for the County Free Library System will be used to support library services at the Diamond Bar Library. In the event that the costs of service for the library located within the City exceed the available property tax revenue, the County Library and City will mutually determine any service level reductions that may be necessary. However, the City may elect to fund any costs that exceed available revenue to either

maintain current service levels or enhance service levels. County Library and City shall mutually agree upon a schedule of invoicing for any financial contributions made by the City to maintain or enhance library services provided by the County Library to the City.

2. SET ASIDE FUNDS

- A. Currently, approximately 2.45% of the ad valorem property tax revenue generated from property located within the City is reserved for the support of the County Free Library System in accordance with the provisions of Article 2 (commencing with Section 96) of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code.
- B. For purposes of this MOU, "Set Aside Funds" shall refer to the yearly difference in the amount of property tax received from City property owners and reserved for the County Library, and the cost of providing Library services at the Diamond Bar Library.
- C. Starting in fiscal year 2011-12, and continuing so long as this MOU is in place or as otherwise agreed upon in writing, the County Library will place Set Aside Funds in a separate budgetary fund with the intent of improving the facilities, providing more enhanced services and programs, or offsetting expenditures at the Diamond Bar Library. The parties mutually acknowledge that the amount of Set Aside Funds varies from year to year and will continue to do so in the future.
- D. The County Library shall, for the duration of this MOU, continue to place Set Aside Funds in a separate fund within the County Library's budget.
- E. All Set Aside Funds currently in the separate account, and those which will be placed in the separate account during the pendency of this MOU, will be used solely to improve library facilities and services within the City unless this MOU is unilaterally terminated by one of the parties before expiration. If this MOU is terminated, any unexpended Set Aside Funds remaining in the separate account shall be spent in accordance with Section 4.K *infra*.
- F. The parties agree that any furnishings, equipment and collection improvements purchased with Set Aside Funds for the library shall remain the property of the County Library.

3. SET ASIDE FUND EXPENDITURES

A. Set Aside Funds may be used for both one-time improvements such as capital improvements and materials purchases, and for on-going service enhancements at the library (such as increased Library hours on Sunday or increased staffing levels or additional programs), and for additional needs as mutually agreed.

- The City and County Library, for the duration of this MOU, shall meet in B. November of each year to discuss the use of Set Aside Funds in the fiscal year beginning on the following July 1. No less than four weeks before each of the required November meetings, the Diamond Bar City Council shall take formal action to approve a prioritized list of issues to be discussed at the yearly meeting. If the City Council fails to approve such a list, the County Library shall assume that City issues and priorities remain unchanged from the most recent previously approved list provided by the City. The purpose of these meetings is to reach agreement on an expenditure program for the Set Aside Funds in the next fiscal year; however, these meetings are advisory in nature and nothing in this section is intended to divest the County Library, or the County of Los Angeles, of any authority to control or use Set Aside Funds. This section shall not be construed as a limit to the frequency of meetings between the parties and the parties hereby express a willingness to meet as frequently as necessary to resolve issues related to Set Aside Funds or the library services. The provisions of this section shall survive the natural expiration of this MOU and shall continue in effect so long as Set Aside Funds are required by any provision of this MOU to be spent on improving the Diamond Bar Library facilities and providing more enhanced services and programs at the Diamond Bar Library.
- C. It is anticipated that the City will be primarily responsible for the design and oversight of the construction of the new library, and that the County will be primarily responsible for the furnishing of the facility contemplated by this MOU, including the provision of book, periodical and other collections appropriate for the size and usage of the library and consistent with the quantity and quality of libraries of similar size operated by the County.
- D. All final plans for construction of the Diamond Bar Library must be reviewed by the City's Building and Safety Division to assure compliance with zoning and building codes, and all final plans are subject to the mutual approval of the City and County.
- E. Except as specifically provided herein, all costs associated with the design, construction and furnishing of the facility will be paid by the County at a cost not to exceed the current estimate of \$5 million. Should the projected costs exceed \$5 million at any time during construction, the City and County shall meet and mutually agree upon a financial plan to complete the project.

4. OTHER PROVISIONS

A. If during the duration of this MOU or anytime thereafter, the City notifies the County of Los Angeles Board of Supervisors that the City no longer desires to be a part of the County Free Library System, (pursuant to California Education Code section 19116 or any other means), any unspent Set Aside Funds accrued at any time shall remain in the control of the County Library to

spend at its sole discretion, including at other County Library facilities, and this MOU shall terminate at the time such notice is provided if it is still in operation at the time notice is given.

- B. In the event the City elects to withdraw from the County Library System before ten years from the date the Diamond Bar Library is completed, the City shall return to the County Library \$1,369.86 for each calendar day from the day the City leaves the County Library System through the last day of the ten year period.
- C. This MOU shall not be construed to place any limitations on the City's ability to raise funds for contribution to the library services within the City, nor shall it limit the right of City or County Library to apply for and receive grants or State bond proceeds for library purposes.
- D. In the performance of its obligations under this MOU, the parties shall comply with all applicable laws, regulations, standards and ordinances.
- E. The City shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the City's acts and/or omissions arising from and/or relating to this MOU.
- F. The County shall indemnify, defend and hold harmless the City, its elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the County's acts and/or omissions arising from and/or relating to this MOU.
- G. All notices of matters under this MOU shall be given in writing by first class mail or personal delivery. Mailed notices shall be addressed as set forth below, but either party may change its address by giving written notice thereof to the other in accordance with the provisions of this section:

CITY:

City of Diamond Bar ATTN: City Manager 21825 E. Copley Drive

Diamond Bar, CA 91765

COUNTY LIBRARY:

County of Los Angeles Public Library

ATTN: County Librarian 7400 East Imperial Highway

Downey, CA 90242

- H. The laws of the State of California shall govern the interpretation and enforcement of this MOU. Any action, suit or proceeding related to or arising from this MOU shall be filed in the Los Angeles County Superior Court.
- I. The term of this MOU shall be from the date of complete execution of this MOU by both parties until June 30, 2041 unless sooner terminated as provided elsewhere herein. However, the term of this MOU shall be automatically extended two (2) times for an additional ten (10) years unless written objection to extension is given at any time by either party. Objection by any party to the automatic extension provisions of this MOU shall not be considered termination of the MOU by that party for purposes of Section 4.K of this MOU. At the expiration of this MOU the County Library will cease placing Set Aside Funds in a separate account; however unless this MOU has been terminated by either party, and under the terms and procedures of Sections 2.E and 3.B of this agreement, *supra*, Set Aside Funds accrued during the pendency of this MOU shall be used to enhance County Library facilities and services within the City until such funds are exhausted.
- J. Any amendments to this MOU shall be in writing and executed by both parties.
- K. Either party may unilaterally terminate this MOU for any reason upon 120 days written notice. Upon unilateral termination of this MOU, any remaining Set Aside Funds will be used as follows:
 - (1) If County terminates the MOU, any remaining Set Aside Funds will be used solely to improve facilities, services, and programs at libraries within the City.
 - (2) If City terminates the MOU, any remaining Set Aside Funds will remain in the control of the County Library to spend in its sole discretion, including at other County Library facilities.
 - (3) If the MOU is terminated by mutual written agreement of the City and the County, the parties shall agree upon the use or uses of the remaining Set Aside Funds as part of the termination agreement.
- L. This MOU is made and entered into for the sole benefit of the parties hereto. No other person or entity shall have any right of action based upon any provision of this MOU.
- M. This MOU shall be deemed to have been prepared jointly and equally by the parties, and none of its terms shall be construed against any party on the ground that the party prepared the MOU or caused it to be prepared.

- N. This MOU constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements and understandings, both written and oral. This MOU may not be modified or amended except in writing signed by all parties hereto.
- O. If any provision of this MOU or the application thereof to any person or circumstance is held invalid, the remainder of this MOU and the application of such provision to other persons or circumstances shall not be affected thereby.
- P. The persons executing this MOU on behalf of each of the parties warrant and represent that they have the authority to execute this MOU on behalf of the party for whom they execute and have the authority to bind the party to the obligations hereunder.

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IN WITNESS WHEREOF, the County and the City have executed this Agreement as of day, month and year first above written.

CITY OF DIAMOND BAR	COUNTY OF LOS ANGELES
James DeStefano City Manager Dated:	Margaret Donnellan Todd County Librarian Dated:
Tommye Cribbins City Clerk APPROVED AS TO FORM:	APPROVED AS TO FORM: Andrea Sheridan Ordin County Counsel By Jill Jones Deputy County Counsel
City Attorney	

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